

## **Sector-led Improvement**

### **Purpose of report**

For discussion and direction.

### **Summary**

*Taking the Lead* which sets out the sector's approach to sector-led improvement was published just over one year ago. Since then we have made progress in delivering our support offer; the approach has been adopted in both children's and adult social services; and further work has been undertaken to respond to councils' requests that we find a way to manage the risk of performance failure.

It is important that this work is communicated to the sector in a way that demonstrates the linkages between the different strands and helps build understanding and "buy in" at senior member and officer level. Therefore, officers supporting the LGA Improvement Board, Children's Improvement Board and the Towards Excellence in Councils' Adult Social Care Programme Board are seeking to produce one single document which will act as a framework for councils for sector-led improvement. This report highlights the key themes that will be set out in the document and also updates the Executive more generally on progress.

Graham Farrant, Chief Executive, Thurrock will attend the Executive to provide feedback about Thurrock's experience of sector-led improvement including their experience of recently having one of the new corporate peer challenges.

### **Recommendations**

The Executive is asked to:

1. agree that there should be one overarching framework for sector-led improvement that brings together the work of the Children's Improvement Board, the Towards Excellence in Councils' Adult Social Care Board with that of the LGA Improvement Board.
2. provide any comments on the key issues (para 7.1 – 7.8) to be covered in the framework for the Improvement Board to consider before finalising the framework following input from the Children's Improvement Board and Towards Excellence in Councils' Adult Social Care Programme Board.

3. note the progress being made by Thurrock in line with the principles of sector-led improvement.

**Action**

As directed by the Executive.

**Contact officer:** Dennis Skinner  
**Position:** Head of Leadership and Productivity  
**Phone no:** 020 7664 3017  
**E-mail:** [dennis.skinner@local.gov.uk](mailto:dennis.skinner@local.gov.uk)

## **Sector-led Improvement**

### **Background**

1. Following the LGA's successful campaign to reduce the burden of inspection and assessment faced by councils the LGA published *Taking the Lead* the sector's approach to sector-led improvement. *Taking the Lead* was developed over a lengthy period of discussion and engagement with the sector and was published just over one year ago. The underlying principles that:
  - 1.1. councils are responsible for their own improvement;
  - 1.2. councils are accountable to local communities not Government or the Inspectorates;
  - 1.3. councils have collective responsibility for performance of the sector; and
  - 1.4. the role of the LGA is to support councils take advantage of this new approach,found overwhelming support.
2. The approach is based on what we have learnt about what works best for improvement. It stresses the value of robust self assessment; transparent and comparative performance information and challenge from ones peers – and it identifies the support the LGA is making available to help councils take advantage of this approach.
3. Since publication the LGA Improvement Board has led a programme of work designed to deliver and promote a range of support and develop a way of responding to councils' requests that we find a way of managing the risk of underperformance or failure, in order to minimise the potential detrimental impact on the reputation of the sector as a whole. The Improvement Board has been advised in this work by an independent advisory board chaired by Steve Freer, Chief Executive of CIPFA, and involving representatives from, amongst others, the Audit Commission, National Audit Office, SOLACE, Association of Directors of Adult Social Services and the Association of Directors of Children's Services.
4. Since publication of *Taking the Lead* new approaches to sector-led improvement have been developed in children's services (through the Children's Improvement Board) and in adult social care (through the Towards Excellence in Council's Adult Social Care Board).
5. In each case the approaches have been developed in association with relevant Government departments, the LGA and the sector's representative professional

**Item 2**

bodies. They are based on many of the core principles and practices set out in *Taking the Lead*.

6. Whilst this represents significant strides in the progress of transition from the old performance framework to a new sector-led approach to improvement it also makes the process of transition more challenging.
7. It is important that this work is communicated to the sector in a way that demonstrates the linkages between the different strands and helps build understanding and buy in at senior member and officer level. Therefore rather than 3 distinct frameworks being produced, which councils could find confusing, officers are working on a single document which will cover sector-led improvement overall, including children's and adult's and also be applicable to other service areas. The Executive is asked to agree such an approach. The main areas that will be covered in the framework will include:
  - 7.1. Local accountability tools including the use of self assessment and scrutiny; local accounts for adults services.
  - 7.2. The role of corporate peer challenge, safeguarding and adults services peer challenges and the challenge process of self-assessments.
  - 7.3. The use of data and benchmarking, including the role of LG inform and the data profiles being produced by the Children's Improvement Board and Towards Excellence in Adult Social Care Programme Board.
  - 7.4. The role of regional structures and networks.
  - 7.5. The national role for detecting and preventing potential failure and in particular the role of Principal Advisors.
  - 7.6. The principles of information sharing.
  - 7.7. The early support that the sector can offer to councils.
  - 7.8. The role of the Performance Support Panel.

**LGA support**

8. **The role of peer challenge:** As part of the LGA's offer to help councils improve we have made available to all councils over the next 3 years a free corporate peer challenge. The challenge is primarily an improvement tool and is being tailored to allow councils to use it to focus on their local priorities. However, all corporate peer challenges include a core component that looks at issues of leadership, corporate capacity and financial resilience whose absence we know from experience is linked to organisational failure.

9. Key features of the Peer Challenge offer are:
  - 9.1. Councils are entitled to a free peer challenge at a time of their choosing in the next 3 years.
  - 9.2. It is flexible and tailored, allowing councils to use the peer challenge to focus on those local priorities, outcomes and ambitions which are important locally.
  - 9.3. It can be delivered for single councils, groups of councils or with their strategic partners.
  - 9.4. All corporate peer challenges will include a core component that looks at issues of leadership and corporate capacity and whose absence is linked to organisational failure.
  - 9.5. It is forward looking and non-bureaucratic (moving away from KLOEs/ self assessments/ evidence gathering requiring excessive documentation).
  - 9.6. It is delivered by the sector for the sector – using a peer-based approach.
  - 9.7. The results of the peer challenge are fed back to and owned by the authority.
  - 9.8. Peer challenge is voluntary – its primary aim is as an improvement tool.
  - 9.9. Peer challenge is not a sector-owned form of inspection.
10. To date we have delivered 16 new corporate peer challenges with another 40 booked in or in discussion and initial conversations are progressing with a large number of other councils.
11. We are closely monitoring the effectiveness of this new approach. Feedback from two sounding boards involving Leaders of councils that have had a peer challenge along with member peers involved, has been positive:
  - “a very high quality team who provided honest and helpful feedback”
  - “we wanted to test our financial plan – the team challenged us about what are our true priorities. This has sparked a very helpful strategic cross-party debate over our purpose and priorities for the future of the council”
  - “the report was powerful and raised some questions we really do need to consider”
  - “the flexible and tailored approach is a real strength ensuring it is bespoke to meet the needs of individual councils”

“peer challenge is less formal and at the same time more informative and improvement focused than previous inspection approaches”

12. The Improvement Board will receive the results of a substantial review at its May meeting.

### **Improvement Journey of Thurrock Council**

13. Graham Farrant, Chief Executive, Thurrock will attend the Executive to provide feedback about Thurrock’s experience of sector-led improvement including the corporate peer challenge they had in December 2011.
14. Thurrock is located to the east of London on the river Thames. It has over 18 miles of riverfront and 70 per cent of the borough is green belt. Thurrock has a population of 152,000 and has experienced an above average increase since 2001. The population is generally younger than the national rate, however 20 year projections suggest an above average increase in older people. The black and minority ethnic population is increasing, particularly with settled travellers moving into the area. Thurrock is fairly deprived, some parts being in the ten per cent most deprived areas in the country. There are also significant inequalities within parts of the borough. The political composition of the Council is currently Labour 24 seats, Conservative 22, Independent 2 and 1 seat is vacant. The Council is currently Labour controlled and the Leader is Councillor John Kent.
15. Thurrock council came to our notice in November 2008 when we were advised that their final CPA was to be 2 star but not improving adequately. In addition, its Use of Resources score was 1. The council had parted company with its CE in November 2008 and an internal acting up arrangement was in place.
16. At the initiation of the then IDeA, the leader of Thurrock Council agreed to meet with the IDeA and RIEP in early December 2008. This initial meeting confirmed the situation and agreed to the establishment of a Voluntary Improvement Board (VIB). The purpose of the VIB was to help Thurrock positively address the CPA and UoR recommendations and to demonstrate a commitment to improvement.
17. Improvement East was very closely involved and provided significant financial support totalling some £560k. The IDeA provided a range of support particularly in relation to member relationships. We also provided seconded staff to strengthen their corporate capacity. A key issue was that the Chief Executive at the time left the authority and it was clear the council needed greater managerial stability. An interim Chief Executive Bob Coomber who had many years experience of being the Chief Executive at Southwark council was brought in. This was followed by the permanent appointment of Graham Farrant who took over as Chief Executive in August 2010 and who also had

**Item 2**

served as a previous Chief Executive (London Borough of Barking and Dagenham as well as significant experience in the private sector).

18. Thurrock has continued to make significant progress in areas where it had been experiencing difficulties. In December 2011, Thurrock had a corporate peer challenge.
19. **Comparative performance information:** being able to compare performance with other councils and areas is an important driver for improvement, but this has been made more difficult as a result of the abolition of the National Indicator set and the Government's associated Data Hub.
20. LG Inform is a new, free of charge, service for the sector developed by the LGA providing a single point of access to a wide range of contextual and performance information; the ability to share and compare performance information between councils and the ability for members and officers to manipulate the data creating their own score cards and reports on issues of interest to them.
21. It provides councils and fire and rescue authorities with free access to contextual (e.g. health and demographic data) and performance data covering 850 individual items. A wide variety of important services metrics (e.g. timeliness of care assessments) are offered to authorities, enabling local performance to be assessed regionally and nationally across all local authorities.
22. Improvements were made to the initial version of LG Inform during the autumn of 2011. LG Inform now has a user base of over 280 registered authorities with over 1,200 registered users.
23. Further improvements to LG Inform are underway and the next version of LG Inform will help councils collate and compare their own key data to gain insights from the results and ensure more rigorous and informed decision-making based on the available evidence.

**Managing the risk of underperformance**

24. In our discussions with councils during the development of *Taking the Lead* councils recognised that "service" or "corporate" failure not only has a detrimental impact on local people and localities but also damages the reputation of the sector as a whole. Councils told us that they wanted the sector to find a way of managing the risk – but that they did not want the LGA to become some form of quasi sector owned inspectorate.

**Item 2**

25. The independent Advisory Board advised, moreover, that the task of detecting, highlighting and taking action in respect of poor performance by individual local authorities is one of the most challenging issues facing the LGA.
26. The approach proposed builds on the key elements we have had in place for sometime but updated for the new context and brought together in a more coordinated way. It positions our team of Principal Advisers, supported in particular by the National and Regional member peers and the political group offices, as the focal point for all conversations with Council Leaders and Chief Executives about performance and improvement support (so providing a single point of contact across corporate, children's and adult social care). It has been welcomed by the independent Advisory Board and shared with the Department for Communities and Local Government and other Government departments who similarly have welcomed the positive steps that the LGA is taking.
27. Given the distinctive nature of the issues that might occur the way issues arise and then are dealt with is likely to vary across the country. This makes it important that the focal role of Principal Advisers is well understood and that they are able to build effective relationships across children's and adults services and with the remaining sub-national sector owned improvement structures that exist.

**Conclusion and next steps**

28. Significant progress has been made in delivering our *Taking the Lead* offer and mainstreaming the approach in other areas. We will ensure (as far as it is possible within the context of the partnership approach in adults and children's services) that:
  - 28.1. the process is led politically;
  - 28.2. there is a consistency in the offer across corporate, adult and children's improvement; and
  - 28.3. this work is communicated to the sector in a consistent and mutually reinforcing way.
29. The Improvement Board has agreed an evaluation process of the overall approach as well as an evaluation of the LGA's offer of support to the sector.

**Financial Implications**

30. There are no additional financial implications arising as a result of this report.